



09-10-5084

Rec'd by:	10/30/09	18
Director		
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File		X
Suspense	11/19/09	
Date:		

JOHN "JOHNNY" I. SHADDINGER, JR.

MAYOR

mayor@cityofwestwego.com

Arbitration	
AR Division - Region VI	
LOG #	09-10-157
Received	10/30/09
BY	DO
DUE	11/19/09
DE-LOG	
PHONE: (504) 347-5745	
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CITY OF WESTWEGO  
419 AVENUE A  
WESTWEGO, LA 70094

Civilian Board of Contract Appeals  
1800 F Street NW  
Washington, D.C. 20405

October 28, 2009

Re: City of Westwego: FIPS #051-81165-00  
City Hall and Police Department Buildings  
Fema-1603-DR-LA: PWs 7815, 7704, &17663

Gentlemen,

This letter serves to formally request that the above listed project worksheets be submitted for arbitration. The first appeal of these project worksheets was pending as of February 17, 2009. Subsequent to that date, The City of Westwego received notice that the first appeal had been denied and therefore filed a second appeal which is currently pending. We have enclosed a copy of a separate letter withdrawing the appeal.

The dispute relates to the damages caused by Hurricane Katrina to the City Hall/Police Complex in Westwego. FEMA had originally determined that the damages to the building exceeded 50% of the replacement cost and, therefore qualified for a replacement of the building. After months of work provided by engineers, architects, accountants, lawyers, City employees, and environmental studies toward the building replacement, FEMA notified The City of Westwego, by mail, that an error in the square footage of the existing building had been discovered and now we were not eligible for a new building. The letter notifying us of this reversal of position was so vague that we immediately requested a meeting with FEMA officials responsible for the decision for an explanation. To this day, FEMA has refused that meeting. Instead, we have had to utilize our United States Senators and Representatives to even get email responses to our questions. The email responses are inaccurate and when we question the inaccuracies we get no response. On November 14, 2008 Mr. Josephson from FEMA wrote in an email response "...as of June 5, 2008, 95% of the permanent repairs had already been completed..." In fact, none of the permanent repairs have been started, much less completed, as of today, October 28, 2009.

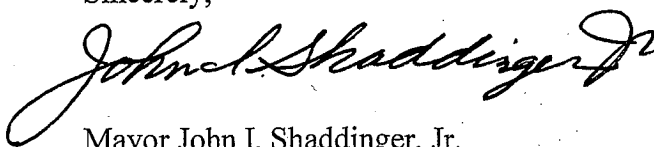
Perhaps the most outrageous comment comes in the denial of the appeal letter from FEMA dated February 25, 2009. In that letter, Mr. Gary Jones, Acting Regional Administrator, says "...the fact that the applicant is occupying both buildings, including

damaged areas, lends further support to the determination that these buildings only qualify for repair." The furniture in my office has to be pushed to the middle of the room to make space for the washtub that sits on the floor to catch the rain that leaks in through the roof. We have to interrupt public meetings in City Hall if it begins to rain, in order to set out buckets to catch the leaking rain. Our Police Department made some temporary repairs and was able to stand the stench of mold for over four years, but finally succumbed and is vacating their portion of the building. Having suffered through these indignities and the endless FEMA bureaucracy for over four years you can imagine our outrage from having to read in an official communication from the very agency that is charged with assisting us a personal opinion from someone so severely detached. My understanding of the FEMA regulations regarding our eligibility for a replacement of City Hall is that it is based on a calculation of estimated costs to repair divided by estimated replacement cost. It is not influenced by our stamina.

I have enclosed documentation of the history of this project. An independent consultant (O'Malley Consultants, Mining and Civil Engineering) was engaged by GOHSEP and concluded that the project does qualify for replacement. A letter was sent by FEMA questioning items in his report and he responded with clear and concise answers supporting his conclusion. To my knowledge, no response came from FEMA.

In conclusion, it appears that at some point, FEMA decided to cut costs. Their refusal to meet face-to-face to explain their statements adds to our suspicion that replacement costs in their calculations are artificially reduced. One example is that all of the early versions of the PW, written after careful, on site, inspections state that "It is recommended that the entire roof constructed of these materials (shingle, roof membrane, and metal roof types) need to be replaced except for the metal roof over the Mayor's parking space..." To justify a lower cost of replacement, suddenly, from apparently a review of pictures, only half of the roof needs replacement. Many other line item costs were eliminated or reduced by FEMA and, as late as this week, we received a report from another cost estimating expert, Mr. David Luke, outlining additional work items that were not included in FEMA's repair estimates. In his report, he states "FEMA did not include costs associated with removing Asbestos from the buildings ceilings (damaged by water from Hurricane roof damage) and asbestos floor tiles....FEMA did not include cost for removal of mold in any area of the building." I have included his spreadsheet showing missed items. Whereas we are confident that the enclosed documentation adequately presents our position, we request a hearing. We are seeking to have the PW that was originally prepared to replace City Hall & Police Department Buildings Complex reinstated and obligated at the funding level of \$3,931,724.00 (copy enclosed). Whereas this PW originally carried a project number of JPWC-1, it was renumbered as 17663. Our representative for this process is our City Accountant, Mr. James L. Butler, C.P.A., 2067 Paxton St., Harvey, Louisiana, 70058, 504-347-0441.

Sincerely,

A handwritten signature in black ink, reading "John I. Shaddinger, Jr." with a stylized flourish at the end.

Mayor John I. Shaddinger, Jr.